

BEFORE
THE PUBLIC SERVICE COMMISSION
OF SOUTH CAROLINA
DOCKET NO. 2013-239-C

August 28, 2013

IN RE:	Application of Tempo Telecom, LLC for)	
	Designation as an Eligible)	STIPULATION
	Telecommunications Carrier in the State of)	
	South Carolina)	

This Stipulation is made by and among the South Carolina Office of Regulatory Staff (“ORS”) and Tempo Telecom, LLC (“Tempo Telecom” or the “Company”) (collectively referred to as the “Parties” or sometimes individually as a “Party”).

WHEREAS, on June 12, 2013, Tempo Telecom filed its Application requesting Designation as an Eligible Telecommunications Carrier (“ETC”) in the State of South Carolina;

WHEREAS, ORS has reviewed the Application and testimony of Gregory Corwin which was filed on August 8, 2013;

WHEREAS, Tempo Telecom is only seeking wireless ETC Designation throughout the non-rural South Carolina service areas for the purpose of receiving federal low-income universal service support for prepaid wireless service, specifically Lifeline;

WHEREAS, Tempo Telecom does not seek the ETC designation for the purpose of receiving funds from the federal Universal Service Fund (“USF”) for the purpose of participating in the Link-Up program or providing service to the high-cost support areas;

WHEREAS, as a result of its investigation, ORS has determined that subject to the provisions set forth below, Tempo Telecom request for designation as an ETC should be approved;

WHEREAS, Tempo Telecom filed a compliance plan with the Federal Communications Commission ("FCC"), and agrees to comply with the requirements and conditions set out in the approved FCC compliance plan ("Compliance Plan"); and

WHEREFORE, in the spirit of compromise, the Parties hereby stipulate and agree to the following terms and conditions:

1. Tempo Telecom is a commercial mobile radio service ("CMRS") provider, proposing to offer prepaid wireless Lifeline service as an ETC and other prepaid wireless voice and data services in South Carolina.

2. Tempo Telecom has requested wireless, Lifeline-only ETC designation in South Carolina.

3. Tempo Telecom provides its prepaid wireless Lifeline and non-Lifeline services by reselling the wireless services of Sprint, which provides wholesale capacity to many wireless resellers. Sprint will provide Tempo Telecom with the wireless infrastructure and wireless transmission facilities needed for Tempo Telecom to offer services as a Mobile Virtual Network Operator ("MVNO"). Tempo will rely on Birch Communications, Inc. for all other facilities, network, back office, billing, and customer support functions necessary to provide both its Lifeline and non-Lifeline wireless services.

4. Tempo Telecom has limited its requested Universal Service Fund ("USF") support to the Federal USF low income support program. Tempo Telecom certifies that all low

income USF funding it receives will be used to provide a credit to its Lifeline eligible customers, consistent with 47 C.F.R. 54.403.

5. The Company's Compliance Plan, as approved by the FCC, is attached to and incorporated in this Stipulation. Tempo Telecom agrees to comply with all terms and conditions of the attached FCC approved Compliance Plan. Any changes or modifications to the Company's FCC approved Compliance Plan must be filed with the Public Service Commission of South Carolina ("Commission"), with a copy to ORS, within five (5) days of filing at the FCC.

6. Tempo Telecom agrees to advertise the availability of Lifeline using media of general distribution.

7. Tempo Telecom is to offer Lifeline credits consistent with the rates, terms, and conditions contained in its rate schedules and website and will publish the availability and the pricing of these same offerings on its website or public forum accessible by Lifeline eligible low income consumers.

8. Until modified by the Commission, Tempo Telecom agrees to utilize the means test established by the FCC and set forth in 47 C.F.R. 54.409.

9. Tempo Telecom agrees to notify the Commission ten (10) days in advance of any changes to its Lifeline rates in South Carolina, or the pricing, or changes in pricing of any additional minute plans offered to South Carolina Lifeline customers.

10. Tempo Telecom agrees to provide Lifeline customers the federal lifeline credit of \$9.25 per month, consistent with 47 C.F.R. 54.403. In addition, Tempo Telecom agrees to provide all South Carolina Lifeline customers with a company funded \$3.50 credit. The Company may fulfill this commitment by offering a South Carolina Lifeline plan that provides

250 minutes of voice only service without rollover at a monthly cost of \$0.00 in addition to Lifeline optional plans outlined in the approved Compliance Plan. Tempo Telecom will also offer a non-Lifeline plan that provides 250 minutes of Talk/Text/Data without rollover at \$12.75 per month. In the event the Commission, the FCC, or a court of competent jurisdiction issues a decision that a credit of \$3.50 is not required to be provided by ETCs to South Carolina Lifeline customers, the Parties agree that this Agreement will be modified to reflect that ruling.

11. Tempo Telecom agrees to allow qualifying low-income consumers to apply all applicable Lifeline discounts to any residential service plan that includes voice telephony service, including bundled packages of voice and data services; and plans that include optional calling features such as, but not limited to, caller identification, call waiting, voicemail, and three-way calling. ETCs may also permit qualifying low-income consumers to apply their Lifeline discount to family shared calling plans.

12. Tempo Telecom agrees that it will abide by all advertising, reporting and verification requirements established by the FCC and the Commission.

13. Tempo Telecom agrees to provide ORS any FCC Citations issued against the Company's Lifeline South Carolina customers, within five (5) days of notice to the Company by the FCC of the customer citation.

14. Tempo Telecom agrees that it will not seek reimbursement from the Federal USF for resold services where the Company receives the Lifeline credits through an underlying carrier.

15. Tempo Telecom agrees to file all reports requested by ORS or the Commission, including but not limited to: the "Telecommunications Company Annual Report," the "Authorized Utility Representative Form," the "Gross Receipts Form," and the "USF

Worksheet.” All of which may be found on the ORS website at www.regulatorystaff.sc.gov in the telecommunications forms section.

16. Tempo Telecom agrees to file with the ORS a certified true copy of its Form 481, Form 497, and Form 555 filed with the Universal Service Administrative Company (“USAC”), including revisions thereto, no later than five (5) calendar days after the Form or revision is filed with USAC.

17. If the designations sought herein are granted, Tempo Telecom agrees to pay the annual gross receipts assessment in accordance with S.C. Code § 58-3-100 and S.C. Code § 58-4-60.

18. Tempo Telecom does not distinguish in the pricing of toll and non-toll calls. Should Tempo Telecom change its business model to include toll services, Tempo Telecom agrees to offer a toll blocking and/or limitation option for Tempo Telecom Lifeline service at that time.

19. Tempo Telecom agrees to waive any and all activation fees for Lifeline customers.

20. Tempo Telecom agrees to implement or to participate in a program for initial certification and annual verification that insures that an eligible Lifeline customer only receives one Lifeline credit per residential address and must conform with its Compliance Plan on file with the FCC and 47 C.F.R. 54-410.

21. Tempo Telecom agrees to provide E911 compliant handsets to new Lifeline customers and replace any non-compliant handsets for its existing customers who are approved as Lifeline customers as part of its Basic Lifeline Service Plans at no charge.

22. If the designations sought herein are granted, Tempo Telecom will be supporting Universal Service in South Carolina based on its total South Carolina retail end user revenues, and must submit all documentation and Universal Service fees required by South Carolina.

23. Tempo Telecom agrees to submit a quarterly report to ORS demonstrating the number of Lifeline customers who have been deactivated by Tempo Telecom during the quarter due to: (1) non-payment on their customer account during two consecutive 30-day periods; (2) customer failure to comply with or pass the annual verification requirement; or (3) voluntary customer-requested deactivation. In addition, consistent with the annual reporting commitments contained in its approved Compliance Plan, Tempo Telecom agrees to file state specific reports with ORS.

24. Tempo Telecom agrees that ORS may examine the Company's records and documentation to ensure that the universal service support the Company receives is being used for the purpose for which it was intended. Tempo Telecom is required to provide such records and documentation to ORS upon request. Tempo Telecom agrees that if it fails to fulfill the requirements of the Act, the Commission's rules, or the terms of this agreement after it begins receiving universal service support, the Commission or ORS may exercise its authority to revoke such petitioner's ETC designation.

25. Tempo Telecom shall comply with all applicable state and federal laws, rules, and regulations regarding ETC designation and reporting requirements. More specifically, Tempo Telecom agrees to abide by the Commission regulations regarding designation of an ETC found in 10 S.C. Code Ann. Regs. 103-690 (2012) as well as requirements set out by the FCC for ETC designation and for participation in the Lifeline program (e.g. FCC Regulation Subpart E – Universal Service Support for Low-Income Consumers).

26. Subject to the provisions set forth herein, ORS does not oppose the Application of Tempo Telecom for designation as an eligible telecommunications carrier.

27. ORS is charged by law with the duty to represent the public interest of South Carolina pursuant to S.C. Code § 58-4-10(B) (Supp. 2012). S.C. Code § 58-4-10(B)(1) through (3) read in part as follows:

...‘public interest’ means a balancing of the following:

- (1) concerns of the using and consuming public with respect to public utility services, regardless of the class of customer;
- (2) economic development and job attraction and retention in South Carolina; and
- (3) preservation of the financial integrity of the State’s public utilities and continued investment in and maintenance of utility facilities so as to provide reliable and high quality utility services.

ORS believes the Stipulation reached among the Parties serves the public interest as defined above.

28. The Parties agree to advocate that the Commission accept and approve this Stipulation in its entirety as a fair, reasonable and full resolution of all issues in the above-captioned proceeding and that the Commission take no action inconsistent with its adoption. The Parties further agree to cooperate in good faith with one another in recommending to the Commission that this Stipulation be accepted and approved by the Commission. The Parties agree to use reasonable efforts to defend and support any Commission order issued approving this Stipulation and the terms and conditions contained herein.

29. The Parties represent that the terms of this Stipulation are based upon full and accurate information known as of the date this Stipulation is executed. If, after execution, either Party is made aware of information that conflicts with, nullifies, or is otherwise materially

different than that information upon which this Stipulation is based, either Party may withdraw from the Stipulation with written notice to the other Party.

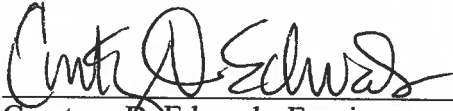
30. The Parties agree that signing this Stipulation will not constrain, inhibit, impair or prejudice their arguments or positions held in other collateral proceedings, nor will it constitute a precedent or evidence of acceptable practice in future proceedings. If the Commission declines to approve the Stipulation in its entirety, then any Party desiring to do so may withdraw from the Stipulation in its entirety without penalty or obligation.

31. This Stipulation shall be interpreted according to South Carolina law.

32. The above terms and conditions fully represent the agreement of the Parties hereto. Therefore, each Party acknowledges its consent and agreement to this Stipulation by affixing its signature or by authorizing counsel to affix his or her signature to this document where indicated below. Counsel's signature represents his or her representation that his or her client has authorized the execution of the agreement. Facsimile signatures and email signatures shall be as effective as original signatures to bind any party. This document may be signed in counterparts, with the original signature pages combined with the body of the document constituting an original and provable copy of this Stipulation. The Parties agree that in the event any Party should fail to indicate its consent to this Stipulation and the terms contained herein, then this Stipulation shall be null and void and will not be binding on any Party.

[PARTY SIGNATURES TO FOLLOW ON SEPARATE PAGES]

Representing the South Carolina Office of Regulatory Staff

A handwritten signature in black ink, reading "Courtney D. Edwards". The signature is written in a cursive, flowing style. The first name "Courtney" is written in a larger, more prominent script, followed by "D." and "Edwards". The signature is positioned above a horizontal line.

Courtney D. Edwards, Esquire

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A handwritten signature in cursive script, reading "Bonnie D. Shealy", written over a horizontal line.

Bonnie D. Shealy, Esquire

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